

MACVAD

GLOBAL SOURCING AND SUPPLY SOLUTIONS

MODERN SLAVERY STATEMENT

FOR THE FINANCIAL YEAR TO 31 MARCH 2022





Any use of slave or trafficked labour is absolutely abhorrent to MACVAD. We take the issue very seriously, and we are fully supportive of any measures to eradicate this criminal activity.

MACVAD acknowledges its responsibilities in relation to tackling modern slavery and commits to complying with the provisions in the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018 (Cth). The Statement sets out the steps that MACVAD Ltd and the companies in its corporate group listed below* (the "Company") has taken to ensure that slavery and human trafficking is not taking place in its supply chain or in any part of the business.

*This statement covers the activities of MACVAD Ltd and the following companies which are its subsidiary undertakings:

MACVAD Ltd
Urban Leisure Ltd
Urban Trends (NZ) Limited
MACVAD Australia Pty Limited
MACVAD Europa GmbH
MACVAD Trading (Hangzhou) Co., Ltd.
MACVAD (Canada USA) Limited
Macvad (UK) Limited
Macvad USA Ltd

"Modern slavery" encompasses slavery, servitude, human trafficking and forced labour. MACVAD has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically, with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or supply chain.



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Governance

Modern slavery is a consideration for the whole of MACVAD's business: the premises from which we operate, the supply chain for the products which we sell and which we use, and the services which we outsource. For this reason, MACVAD's approach to modern slavery is managed by a group consisting of Operations Director and Head of HR, with valuable input from departments around the business. The Operations Director reports to the MACVAD Board on modern slavery issues.

The MACVAD Board has approved this statement and formally reviews policy and performance on ethical trading and modern slavery annually.



Company Structure

MACVAD is an Importer and supplier of goods operating in New Zealand, Australia, the European Union, Canada, United States of America, and the United Kingdom. Headquartered in Auckland, NZ, we operate a Support office in Hangzhou, China with Sales offices in,

- Chicago, United States
- Barnett, United Kingdom
- Düsseldorf, Germany
- Mississauga, Canada
- North Ryde, Australia

Most staff have their workplace in a MACAVD office although a few in China and the United States of America work remotely on a permanent basis. Many of the MACVAD team experienced periods working remotely during the COVID pandemic.

MACVAD operates a warehousing facility at the Auckland Head office location and uses contracted warehousing in Australia, the United States of America, and the United Kingdom.

OPERATIONS AND SUPPLY CHAIN

Overview

MACVAD supplies most products as consignments under 'house' brands to retailers across the broad categories of Garments, Footwear, Textiles, Furniture, Housewares, Home Décor, Sports, Toys, and Outdoor activities. Medical supplies have also been supplied to retail and non-retail customers in Canada, Australia, New Zealand, and the United States of America.

Products are sourced from more than 600 manufacturers in 13 countries across 6 continents.

- China, India, Pakistan, Vietnam, Cambodia
- Australia, New Zealand
- Italy, Poland, Turkey
- South Africa
- United States of America
- Brazil

In addition to contracted warehousing in Australia, the United States of America, and the United Kingdom, we also outsource support services, international and domestic freight, local deliveries, professional and IT services, cleaning, and maintenance in all offices.





Modern Slavery Risks

IN OUR OPERATIONS AND SUPPLY CHAINS



MACVAD identifies and assesses risk of modern slavery in its operations and supply chain by reviewing country and industry risk indicators provided by the Ethical Trade Initiative.

The supply chain risk is higher based on the breadth, location, job types and the higher probability of migrant, contracted or temporary workers.

Risks are also noted in some of the contracted third party service providers which may require informal, seasonal or temporary labour-intensive work because these roles are more likely to be outsourced to a third party and filled by foreign nationals on temporary visas. Examples of these roles include cleaners and warehouse operators.

It is considered that the risk is comparatively low with MACVAD staff as all staff are screened directly employed by MACVAD.



Our Policies and Actions

MACVAD is committed to ensuring that there is no modern slavery or human trafficking in the supply chain or in any part of the business.

The MACVAD Modern Slavery policy reflects a commitment to acting ethically and with integrity in the business relationships and to implement and enforce effective systems and controls to ensure slavery and human trafficking does not take place anywhere within the supply chain. This policy supplements our [Ethical Code of Conduct](#), which has been in place for some years, and is based on the Ethical Trading Initiative ('ETI') base code.

We are members of both SEDEX and amfori and we are proud to assume responsibility and strive to improve the working and living conditions of workers in all countries in which we do business. We have an in-house Corporate Responsibility team based in China and the Head Office with extensive experience of working with factories to assess and improve adherence to ethical standards.

We ensure that the primary manufacturing site is identified for all products. All 3rd party audits are assessed through desktop assessments and a portion of sites have conditions verified through an on-site MACVAD Social Assessment conducted by trained MACVAD staff

During the reporting period we have defined plans to enhance the understanding of Modern Slavery issues through enhanced training programs for MACVAD Staff and new programs for Suppliers and Manufacturers. Internal reporting has been refined to provide accurate data to act upon.



FY23 Initiatives

WHAT'S NEXT

We are committed to building a reportable system that will continuously improve risk identification and minimisation.

- An updated Corporate Responsibility training program will be released to MACVAD Staff during FY23.
- The annual reviews of the MACVAD Social Assessment Procedures and Supplier educational material will incorporate material specific to identification and prevention of Modern Slavery.
- A review to identify third party providers to MACVAD will be conducted.

BOARD OF DIRECTORS APPROVAL

MACVAD will never knowingly enter into a business relationship with any organisation involved with slavery, servitude or human trafficking. The senior management of the Company accepts responsibility for the implementation of any policy in relation to this matter and for the provision of adequate resources to ensure that slavery, servitude or human trafficking is not taking place in the Company or its supply chain.

This statement has been approved by the Board of Directors of MACVAD Ltd and signed by the Managing Director of MACVAD.



Struan Kingan
Managing Director

First statement published November 2022

Last reviewed and approved by the Board of MACVAD Ltd on 10 November 2022.

